

North Central Workforce Development Area

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LOCAL DIRECTIVE

Directive #: 25-171

Date: March 10, 2025

TO: SkillSource Staff and Service Providers
FROM: Lisa Romine, CEO
SUBJECT: CRF Matched Investment Savings Account (MISA) Withdrawal Guidelines

I. PURPOSE: The purpose of this directive is to provide local guidance for participant Match Investment Savings Account (MISA) withdrawals. This guidance is required by State Program Policy 7010 Revision 1, Community Reinvestment Plan Matched Investment Savings.

II. Allowable Participant Withdrawal of MISA Funds

a. Purchase of Asset or Investment: Participants can make a withdrawal for the purchase of one of the qualifying assets or investments identified below, provided the items are for their own use and are reviewed and approved by the Managing Director, CEO or CFO. This is allowed once they have completed the required financial coaching and met the goals outlined in their Savings Plan Agreement. Qualifying assets/investments are limited to:

- Postsecondary education and training,
- Homeownership or rental move-in expenses, including first and last month's rent plus deposit,
- Starting or scaling a business including start-up cost, equipment, etc.
- Computer purchase
- Automobile purchase
- Home additions and expansions
- Assistive technologies
- Broadband access in rural housing and connectivity costs

The following investments may be designated as part of a Savings Plan Agreement, but payment for them may only be issued as a lump sum at the completion of the savings plan.

- Repayment of existing student loan debt accrued for the participant's education.
- Payments toward an existing home mortgage held by the participant.
- Repayment of existing automobile loans for the primary vehicle of the participant's household.

b. Emergency Withdrawals: SkillSource Managing Director, CEO, or CFO must review and approve emergency withdrawal requests by participants. Emergency withdrawals are permissible only after all other support options, including federal and state EcSA and WIOA resources, have been fully explored. Participants can request emergency withdrawals for the following reasons:

- Necessary medical expenses
- To avoid eviction or foreclosure of the participant from the participant's residence
- Essential expenses to maintain or sustain employability after a job loss, such as phone and living expenses.
- Expenses related to transportation for employment, including car payments if the vehicle is at risk of repossession, maintenance costs such as repairs, new tires, oil changes, and other critical vehicle expenses necessary for commuting to work or programmatic meetings. Also covers bus passes, gas, and car insurance when other transportation aid options are unavailable.
- Childcare expenses critical for attending work or program-related meetings, provided state childcare assistance has been applied for and no alternative payment options are available.
- Unexpected household repairs, urgent household moves, or significant life changes that impact the participant's ability to participate in the program.
- Unexpected burial expenses and/or unanticipated travel expenses for an out-of-town funeral.

III. Withdrawal Guidelines

a. Withdrawal Request Details:

- Each withdrawal request from the participant must specify the name of the institution/vendor where the asset or investment will be purchased, date, and the exact amount to be withdrawn.

b. Verification of Institution/Vendor

- SkillSource/subrecipient will verify that the institution or vendor, where the asset/investment purchase will be made, is a known and legitimate business. For unfamiliar institutions or vendors, conduct due diligence to confirm legitimacy, such as checking business licensure, conducting participant's own research, and performing reference checks.

c. Documentation for Payments

- Payments can be made directly to the institution/vendor either by a match check issued in their name or via electronic transfer.
- Documentation detailing the transfer specifics, including date, destination, amount, and justification of need must be maintained in the participant case files.
- In cases where matching funds are sent directly to the participant, the following documentation must be included in participant case files:
 - A copy of the match funds check made out to the participant.
 - Details of any electronic fund transfer; or
 - A deposit receipt showing the match funds deposited into the participant's account.

- Emergency Withdrawals – SkillSource/subrecipients must follow the state policy for emergency withdrawals and maintain all documentation in participant case files.

d. Exceptions and Special Cases

- Small Businesses or Individuals as the institution/vendor: If verification steps listed in III b. are impractical (e.g., when dealing with small businesses or individuals), include a documented reason for the exception. Require additional documentation of the purchase, such as a copy of an inspection report and the title for vehicle purchases, which must be assigned to the participant.

e. Reimbursement Requests

- Participants are permitted to make eligible purchases for reimbursement only after fulfilling all specified personal finance education and coaching requirements.
- If a participant requests reimbursement for a qualified purchase they have already made, ensure that documentation of the purchase is provided.

f. Withdrawal Approval

- Upon completion of required withdrawal form (Emergency or non-Emergency), Umpqua Bank MISA Withdrawal Request, and all required documentation, Training Manager will review for completion and then submit to Executive team for final approval.

IV. Accounts after June 2025

If continuing funds are not awarded for CRP MISA by July 1, 2025, all custodial accounts will be transitioned or converted to non-custodial checking or savings accounts, granting participants full discretion over their funds with unrestricted withdrawal privileges.

a. Role of the LWDB/Subrecipient:

- *Release of Funds:* Participants must collaborate with SkillSource/subrecipient to jointly develop and execute a plan by July 1, 2025.
- *Policy and Communication:* Record official policy decisions and communicate with banking partners to facilitate unrestricted access to funds.
- *Documentation Updates:* Update all relevant documents to reflect the program's closure.
- *Subrecipient Monitoring and Fiscal Controls:* Implement subrecipient monitoring and fiscal controls to safeguard the integrity of the MISA program.

b. Role of the Participant:

- *Account Review and Confirmation:* Review account status to ensure current personal information and resolve discrepancies.
- *Preparation for Closure:* Confirm all relevant account details to aid in the transfer.
- *Closure Confirmation:* Receive and confirm account closure once processes are completed.

c. Role of the Bank:

- *Communication and Collaboration:* Collaborate with SkillSource to ensure timely communication about the closure process to participants.
- *Information Dissemination:* Provide updates and information to participants throughout the closure process, addressing questions and concerns.

- *Account Management and Transition*: Assist in transitioning accounts by transferring funds to new accounts, converting accounts, or closing accounts as per participant choices and program guidelines.
- *Transaction Processing*: Handle transactions related to the closure, including withdrawals, transfers, and disbursements, ensuring compliance with program rules and participant requests.
- *Regulatory Compliance*: Ensure all actions taken during account closures comply with banking regulations and program rules.
- *Support and Resolution*: Provide ongoing support and resolve issues during the closure process.
- *Reporting and Maintenance*: Generate final reports summarizing closure activities and maintain accounts until all closure activities are concluded.

VI. Forms

- SkillSource Withdrawal Form
- SkillSource Emergency Withdrawal Form
- Umpqua Bank MISA Withdrawal Request